

Message Text

CONFIDENTIAL

PAGE 01 STATE 014285

ORIGIN EUR-12

INFO OCT-01 ISO-00 EB-08 CU-02 L-03 OES-06 PM-04 NSC-05

SP-02 SS-15 CIAE-00 INR-07 NSAE-00 TRSE-00 OMB-01

MC-02 ACDA-07 AID-05 IGA-02 PRS-01 SAJ-01 SSO-00

NSCE-00 INRE-00 /084 R

DRAFTED BY EUR/WE:MLDURKEE:JL

APPROVED BY EUR/WE:EMROWELL

EB - MR. NESVIG

CU - MR. SCHERR

L/EUR - MR. GUDGEON

OES - MR. FRY

OSD/ISA - MR. GLITMAN

RPM - MR. KINNEY

PM/ISO - MR. CHURCHILL

-----212354Z 004220 /73

O R 212307Z JAN 77

FM SECSTATE WASHDC

TO AMEMBASSY MADRID IMMEDIATE

INFO SECDEF

JCS

USCINCEUR

USNMR SHAPE

USMISSION NATO

C O N F I D E N T I A L STATE 014285

E.O. 11652: GDS

TAGS: PFOR, MARR, SP

SUBJECT: US-SPANISH COUNCIL

REF: A. MADRID 0125; B. MADRID 0221; C. MADRID 0263

D. SECSTATE 310773/240143Z 12-76; E. SECDEF TO CJUSMAG

6188/202216Z MAY 76

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 014285

1. WE AGREE THAT IT WOULD BE USEFUL TO HOLD MEETING OF THE US-SPANISH COUNCIL AT THE PERM REP LEVEL. SUCH A MEETING COULD NOT ONLY REVIEW THE PROGRESS OF BOTH SIDES IN IMPLEMENTING THE TREATY, BUT MIGHT GIVE A HELPFUL PUSH TO OUR EFFORTS TO MOVE AHEAD WITH CERTAIN ASPECTS OF OUR NON-MILITARY COOPERATION. IN ADDITION TO THE AMBASSADOR AS US PERM REP, US PARTICIPATION IN THE MEETING WILL INCLUDE

USCINCEUR OR HIS DESIGNEE, AS REPRESENTATIVE OF THE CHAIRMAN, JCS.

2. WE CAN ACCEPT JANUARY 25 DATE FOR MEETING BUT LEAVE FINAL DATE TO YOUR DECISION AND THE CONVENIENCE OF ALL PARTICIPANTS. WE ACCEPT THE AGENDA AS PROPOSED BY THE GOS, AND GUIDANCE ON EACH ITEM FOLLOWS BELOW.

A. REVIEW OF IMPLEMENTATION, PARTICULARLY MILITARY ASSISTANCE ASPECTS: WE BELIEVE THAT PREPARATIONS ARE

WELL ADVANCED IN THIS AREA. THE SPANISH SERVICES HAVE DEVELOPED FUNDING ALLOCATIONS AND HAVE PROVIDED EQUIPMENT AND TRAINING REQUESTS, AND DOD IS TAKING THE NECESSARY ACTION TO MEET THESE REQUESTS. BOTH SIDES SHOULD CONSULT CLOSELY TO MAKE SURE THAT ALL NEEDED DOCUMENTS AND OTHER LEGAL REQUIREMENTS ARE MET TO FOLLOW THROUGH ON THE FMS CASES FINANCED THROUGH THE FEDERAL FINANCE BANK (THE 120 MILLION DOLLAR GURANTEE UNDER THE TREATY). THE STATUS OF OTHER ASSISTANCE MATTERS IS AS FOLLOWS:

COMBAT GRANDE - USAF AND SAF TECHNICIANS ARE WORKING CLOSELY IN PLANNING SEVERAL NEW PROJECTS, INCLUDING A BACKUP SECTOR OPERATIONS CENTER (TO BE USED ALSO FOR TRAINING AND COMPUTER PROGRAM MAINTENANCE), A NEW NORTHWEST RADAR SITE, FURTHER EXPANSION OF THE MICROWAVE COMMUNICATIONS SYSTEM, AND ADDITIONAL AIR-GROUND COMMUNICATIONS. THE USAF HAS PROGRAMMED FUNDS FOR THIS ASSISTANCE IN ITS BUDGET.

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 014285

RF4-C AIRCRAFT - THE SAF DECIDED AGAINST LEASE OF THE 42 F-4E AIRCRAFT SPECIFIED IN THE TREATY BECAUSE OF COST CONSIDERATIONS AND HAS REQUESTED INFORMATION AND COST DATA ON EIGHT F-4C AND EIGHT RF-4C AIRCRAFT AS POSSIBLE ALTERNATIVE AREAS OF ASSISTANCE. THE USAF IS PRESENTLY DISCUSSING THESE PROGRAMS WITH THE SAF AND REEVALUATING THE AVAILABILITY OF F-4C AND RF-4C AIRCRAFT.

SHIP SALES - SPANISH NAVY HAS ACCEPTED AN ARL MINESWEEPER TENDER, AS SPECIFIED IN THE TREATY, AND THE USN'S LETTER OF OFFER FOR THIS SHIP HAS JUST BEEN ISSUED. THE USN HAS BEEN UNABLE TO OFFER ACCEPTABLE MSO OCEANGOING MINESWEEPERS BUT CONTINUES TO LOOK FOR SUITABLE MSO'S OR SUBSTITUTE ASSETS IN THE MEANTIME THE USN HAS ISSUED LOA'S TO SELL TO SPAIN FIVE DESTROYERS AND THREE LST'S NOW ON LOAN AT FAVORABLE PRICES, AND CONTINUES TO WORK CLOSELY WITH THE SN IN A WIDE-RANGING NUMBER OF ACTIVITIES.

IMPROVED HAWK: REF. D INFORMED EMBASSY THAT USG HAS APPROVED FY '77 LOAN JUSTIFICATION AND THAT GOS SHOULD NOW TAKE ACTION TO NEGOTIATE LOAN AGREEMENT.

REF. E - REPORTED DOD APPROVAL TO CONVERT FMS CASH CASE 77G ON IMPROVED HAWK TO A 120-DAY DEPENDABLE UNDERTAKING TYPE CASE SO AS NOT TO DELAY PROGRESS ON IMPROVING SPAIN'S

AA DEFENSES. THE PRACTICAL EFFECT OF THIS ACTION WAS TO DEFER 10 MILLION DOLLARS OF CASH PAYMENTS BY SPAIN UNTIL THE RECEIPT OF CREDIT AUTHORITY. WE ASSUMED THAT THE LOAN AGREEMENT WOULD BE SIGNED BEFORE MORE THAN 10 MILLION DOLLARS WAS DUE. WE ARE NOW AT A POINT, HOWEVER, WHERE AN ADDITIONAL PAYMENT OF 9,270,500 DOLLARS IS DUE AND, CONFIDENTIAL

CONFIDENTIAL

PAGE 04 STATE 014285

UNDER THE NEW ARMS EXPORT CONTROL ACT, DOD CAN NO LONGER DEFER PAYMENT BY SPAIN OF THE AMOUNT DUE. WE CONSIDER IT MOST URGENT, THEREFORE, THAT THE GOS NEGOTIATE A LOAN AGREEMENT PROMPTLY SO THAT THE PAYMENT WHICH IS DUE CAN BE COVERED; OTHERWISE, THE GOS WILL HAVE TO PAY IN CASH.

B. REVIEW OF THE ACTIVITIES OF THE SEVERAL JOINT COMMITTEES

1. EDUCATION AND CULTURE COMMITTEE HAS MET AND THE ANNUAL PROGRAM IS BEING DEVELOPED UNDER PROCEDURAL ARRANGEMENTS ACCEPTED BY BOTH SIDES.

2. SCIENCE AND TECHNOLOGY COMMITTEE HELD INFORMAL SESSION IN OCTOBER, BUT SPANISH SIDE HAS NOT ADVANCED PROPOSALS FOR ALLOCATING AVAILABLE FUNDS AND SEVERAL PROCEDURAL MATTERS OF A POLICY NATURE REMAIN TO BE RESOLVED. THE US SIDE REMAINS READY TO DISCUSS SPANISH IDEAS AND REACTIONS TO EARLIER US PROPOSALS BASED ON MUTUALLY-BENEFICIAL RESEARCH AREAS. YOU SHOULD DRAW ATTENTION TO US LEGAL REQUIREMENTS TO OBLIGATE FUNDS DURING THE CURRENT FISCAL YEAR AND ENCOURAGE SPANISH SIDE TO PRESENT THEIR PROGRAM PROPOSALS ASAP.

3. POLITICAL-MILITARY COMMITTEE: WE ARE SATISFIED THAT THIS BODY WILL CONTINUE TO FUNCTION SMOOTHLY AND EFFECTIVELY IN ITS AREAS OF COMPETENCE.

4. JOINT ECONOMIC COMMITTEE: WE REMAIN READY TO CONVENE THIS COMMITTEE AND EXPECT TO BE ABLE TO OFFER A FIRM DATE AFTER CHANGE IN US ADMINISTRATION.

5. JOINT MILITARY COMMITTEE: THIS BODY MET ON OCTOBER 1 AND COULD BE RE-CONVENED WHEN FURTHER PROGRESS ON MILITARY COOPERATION, SUCH AS ESTABLISHMENT OF THE COMBINED STAFF WARRANTS SUCH HIGH-LEVEL REVIEW.

CONFIDENTIAL

CONFIDENTIAL

PAGE 05 STATE 014285

C. REVIEW OF PROGRESS TOWARD ESTABLISHMENT OF THE COMBINED STAFF: WE HAVE APPROVED THE TERMS OF REFERENCE AND ORGANIZATION CHART FOR THE COMBINED STAFF, WHICH MAY BE INITIALLED BY THE CO-CHAIRMEN FOLLOWING RESOLUTION OF MINOR

TRANSLATION DIFFERENCES (SEPTEL TO FOLLOW). WE WOULD HOPE THAT THE SPANISH SIDE COULD REVIEW THEIR PROGRESS IN FINDING SUITABLE OFFICES FOR THE STAFF AND COULD DISCUSS THEIR IDEAS ON STAFFING AND OTHER DETAILS FOR ESTABLISHING THIS BODY.

D. COMMISSION ON COORDINATION WITH NATO: WE APPRECIATE LATEST REPORT ON SPANISH THINKING (MADRID 0263) AND CONCUR WITH MISSION'S RECOMMENDATIONS IN PARAS 3 AND 4.

HABIB

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MEETINGS, MILITARY ASSISTANCE PROGRAMS
Control Number: n/a
Copy: SINGLE
Sent Date: 21-Jan-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE014285
Document Source: CORE
Document Unique ID: 00
Drafter: MLDURKEE:JL
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770023-0649
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770128/aaaaayow.tel
Line Count: 199
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: a0cab7d2-c288-dd11-92da-001cc4696bcc
Office: ORIGIN EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 77 MADRID 125, 77 MADRID 221, 77 MADRID 263, 77 STATE 310773
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 21-Jul-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3532406
Secure: OPEN
Status: NATIVE
Subject: US-SPANISH COUNCIL
TAGS: PFOR, MARR, SP, US
To: MADRID
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/a0cab7d2-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009